

Union Calendar No. 12

110TH CONGRESS
1ST SESSION

H. R. 799

[Report No. 110–33]

To reauthorize and improve the program authorized by the Appalachian
Regional Development Act of 1965.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 2007

Mr. OBERSTAR (for himself, Mr. MICA, Ms. NORTON, Mr. GRAVES, Mr. RAHALL, Mr. LATOURETTE, Mr. HOLDEN, Mr. SHUSTER, Mr. MICHAUD, Mr. KUHL of New York, Mr. HIGGINS, Mr. SPACE, Mr. ALTMIRE, Mr. WALZ of Minnesota, Mr. SHULER, Mr. ARCURI, Mr. CARNEY, Mr. COHEN, Mr. DOYLE, Mr. BOUCHER, Mr. MOLLOHAN, Mr. WILSON of Ohio, Mr. KANJORSKI, Mr. LINCOLN DAVIS of Tennessee, Mr. MARSHALL, and Mr. SCOTT of Georgia) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

MARCH 6, 2007

Reported with an amendment, committed to the Committee of the Whole
House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in *italic*]

[For text of introduced bill, see copy of bill as introduced on February 5, 2007]

A BILL

To reauthorize and improve the program authorized by the
Appalachian Regional Development Act of 1965.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Appalachian Regional*
 3 *Development Act Amendments of 2007”.*

4 **SEC. 2. LIMITATION ON AVAILABLE AMOUNTS; MAXIMUM**
 5 **COMMISSION CONTRIBUTION.**

6 (a) *GRANTS AND OTHER ASSISTANCE.*—Section
 7 *14321(a) of title 40, United States Code, is amended—*

8 *(1) by striking paragraph (1)(A)(i) and insert-*
 9 *ing the following:*

10 *“(i) the amount of the grant shall not*
 11 *exceed—*

12 *“(I) 50 percent of administrative*
 13 *expenses;*

14 *“(II) at the discretion of the Com-*
 15 *mission, if the grant is to a local devel-*
 16 *opment district that has a charter or*
 17 *authority that includes the economic*
 18 *development of a county or a part of a*
 19 *county for which a distressed county*
 20 *designation is in effect under section*
 21 *14526, 75 percent of administrative ex-*
 22 *penses; or*

23 *“(III) at the discretion of the*
 24 *Commission, if the grant is to a local*
 25 *development district that has a charter*
 26 *or authority that includes the economic*

1 *development of a county or a part of a*
2 *county for which an at-risk county des-*
3 *ignation is in effect under section*
4 *14526, 70 percent of administrative ex-*
5 *penses;”;* and

6 *(2) by striking paragraph (2)(A) and inserting*
7 *the following:*

8 *“(A) IN GENERAL.—Except as provided in*
9 *subparagraph (B), of the cost of any activity eli-*
10 *gible for financial assistance under this section,*
11 *not more than—*

12 *“(i) 50 percent may be provided from*
13 *amounts appropriated to carry out this sub-*
14 *title;*

15 *“(ii) in the case of a project to be car-*
16 *ried out in a county for which a distressed*
17 *county designation is in effect under section*
18 *14526, 80 percent may be provided from*
19 *amounts appropriated to carry out this sub-*
20 *title; or*

21 *“(iii) in the case of a project to be car-*
22 *ried out in a county for which an at-risk*
23 *county designation is in effect under section*
24 *14526, 70 percent may be provided from*

1 *amounts appropriated to carry out this sub-*
2 *title.”.*

3 (b) *DEMONSTRATION HEALTH PROJECTS.*—Section
4 14502 of title 40, United States Code, is amended—

5 (1) *by striking subsection (d)(2) and inserting*
6 *the following:*

7 “(2) *LIMITATION ON AVAILABLE AMOUNTS.*—
8 *Grants under this section for the operation (including*
9 *initial operating amounts and operating deficits,*
10 *which include the cost of attracting, training, and re-*
11 *taining qualified personnel) of a demonstration health*
12 *project, whether or not constructed with amounts au-*
13 *thorized by this section, may be made for up to—*

14 “(A) *50 percent of the cost of that oper-*
15 *ation;*

16 “(B) *in the case of a project to be carried*
17 *out in a county for which a distressed county*
18 *designation is in effect under section 14526, 80*
19 *percent of the cost of that operation; or*

20 “(C) *in the case of a project to be carried*
21 *out for a county for which an at-risk county des-*
22 *ignation is in effect under section 14526, 70 per-*
23 *cent of the cost of that operation.”; and*

24 (2) *in subsection (f)—*

1 (A) in paragraph (1) by striking “para-
2 graph (2)” and inserting “paragraphs (2) and
3 (3)”; and

4 (B) by adding at the end the following:

5 “(3) *AT-RISK COUNTIES.*—*The maximum Com-*
6 *mission contribution for a project to be carried out in*
7 *a county for which an at-risk county designation is*
8 *in effect under section 14526 may be increased to the*
9 *lesser of—*

10 “(A) 70 percent; or

11 “(B) the maximum Federal contribution
12 percentage authorized by this section.”.

13 (c) *ASSISTANCE FOR PROPOSED LOW- AND MIDDLE-*
14 *INCOME HOUSING PROJECTS.*—*Section 14503 of title 40,*
15 *United States Code, is amended—*

16 (1) by striking subsection (d)(1) and inserting
17 the following:

18 “(1) *LIMITATION ON AVAILABLE AMOUNTS.*—*A*
19 *loan under subsection (b) for the cost of planning and*
20 *obtaining financing (including the cost of prelimi-*
21 *nary surveys and analyses of market needs, prelimi-*
22 *nary site engineering and architectural fees, site op-*
23 *tions, application and mortgage commitment fees,*
24 *legal fees, and construction loan fees and discounts)*

1 *of a project described in that subsection may be made*
 2 *for up to—*

3 “(A) 50 percent of that cost;

4 “(B) in the case of a project to be carried
 5 *out in a county for which a distressed county*
 6 *designation is in effect under section 14526, 80*
 7 *percent of that cost; or*

8 “(C) in the case of a project to be carried
 9 *out for a county for which an at-risk county des-*
 10 *ignation is in effect under section 14526, 70 per-*
 11 *cent of that cost.”; and*

12 (2) *by striking subsection (e)(1) and inserting*
 13 *the following:*

14 “(1) *IN GENERAL.—A grant under this section*
 15 *for expenses incidental to planning and obtaining fi-*
 16 *nancing for a project under this section that the Sec-*
 17 *retary considers to be unrecoverable from the proceeds*
 18 *of a permanent loan made to finance the project*
 19 *shall—*

20 “(A) *not be made to an organization estab-*
 21 *lished for profit; and*

22 “(B) *except as provided in paragraph (2),*
 23 *not exceed—*

24 “(i) 50 percent of those expenses;

1 “(ii) in the case of a project to be car-
 2 ried out in a county for which a distressed
 3 county designation is in effect under section
 4 14526, 80 percent of those expenses; or

5 “(iii) in the case of a project to be car-
 6 ried out in a county for which an at-risk
 7 county designation is in effect under section
 8 14526, 70 percent of those expenses.”.

9 (d) *TELECOMMUNICATIONS AND TECHNOLOGY INITIA-*
 10 *TIVE.*—Section 14504 of title 40, United States Code, is
 11 amended by striking subsection (b) and inserting the fol-
 12 lowing:

13 “(b) *LIMITATION ON AVAILABLE AMOUNTS.*—Of the
 14 cost of any activity eligible for a grant under this section,
 15 not more than—

16 “(1) 50 percent may be provided from amounts
 17 appropriated to carry out this section;

18 “(2) in the case of a project to be carried out in
 19 a county for which a distressed county designation is
 20 in effect under section 14526, 80 percent may be pro-
 21 vided from amounts appropriated to carry out this
 22 section; or

23 “(3) in the case of a project to be carried out in
 24 a county for which an at-risk county designation is
 25 in effect under section 14526, 70 percent may be pro-

1 *vided from amounts appropriated to carry out this*
2 *section.”.*

3 *(e) ENTREPRENEURSHIP INITIATIVE.—Section 14505*
4 *of title 40, United States Code, is amended by striking sub-*
5 *section (c) and inserting the following:*

6 *“(c) LIMITATION ON AVAILABLE AMOUNTS.—Of the*
7 *cost of any activity eligible for a grant under this section,*
8 *not more than—*

9 *“(1) 50 percent may be provided from amounts*
10 *appropriated to carry out this section;*

11 *“(2) in the case of a project to be carried out in*
12 *a county for which a distressed county designation is*
13 *in effect under section 14526, 80 percent may be pro-*
14 *vided from amounts appropriated to carry out this*
15 *section; or*

16 *“(3) in the case of a project to be carried out in*
17 *a county for which an at-risk county designation is*
18 *in effect under section 14526, 70 percent may be pro-*
19 *vided from amounts appropriated to carry out this*
20 *section.”.*

21 *(f) REGIONAL SKILLS PARTNERSHIPS.—Section 14506*
22 *of title 40, United States Code, is amended by striking sub-*
23 *section (d) and inserting the following:*

1 “(d) *LIMITATION ON AVAILABLE AMOUNTS.*—Of the
 2 cost of any activity eligible for a grant under this section,
 3 not more than—

4 “(1) 50 percent may be provided from amounts
 5 appropriated to carry out this section;

6 “(2) in the case of a project to be carried out in
 7 a county for which a distressed county designation is
 8 in effect under section 14526, 80 percent may be pro-
 9 vided from amounts appropriated to carry out this
 10 section; or

11 “(3) in the case of a project to be carried out in
 12 a county for which an at-risk county designation is
 13 in effect under section 14526, 70 percent may be pro-
 14 vided from amounts appropriated to carry out this
 15 section.”.

16 (g) *SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.*—
 17 Section 14507(g) of title 40, United States Code, is amend-
 18 ed—

19 (1) in paragraph (1) by striking “paragraph
 20 (2)” and inserting “paragraphs (2) and (3)”; and

21 (2) by adding at the end the following:

22 “(3) *AT-RISK COUNTIES.*—The maximum Com-
 23 mission contribution for a project to be carried out in
 24 a county for which an at-risk county designation is

3 *SEC. 3. ECONOMIC AND ENERGY DEVELOPMENT INITIA-*
4 *TIVE.*

(a) *IN GENERAL.*—Subchapter I of chapter 145 of sub-
title IV of title 40, United States Code, is amended by add-
ing at the end the following:

8 “§ 14508. *Economic and energy development initiative*

9 “(a) *PROJECTS TO BE ASSISTED.—The Appalachian*
10 *Regional Commission may provide technical assistance,*
11 *make grants, enter into contracts, or otherwise provide*
12 *amounts to persons or entities in the Appalachian region*
13 *for projects—*

14 “(1) to promote energy efficiency in the region to
15 enhance its economic competitiveness;

“2) to increase the use of renewable energy re-
sources in the region to produce alternative transpor-
tation fuels, electricity, and heat; and

19 “(3) to support the development of conventional
20 energy resources in the region to produce alternative
21 transportation fuels, electricity, and heat.

22 “(b) *LIMITATION ON AVAILABLE AMOUNTS.*—Of the
23 *cost of any project eligible for a grant under this section,*
24 *not more than—*

1 “(1) 50 percent may be provided from amounts
2 appropriated to carry out this section;

3 “(2) in the case of a project to be carried out in
4 a county for which a distressed county designation is
5 in effect under section 14526, 80 percent may be pro-
6 vided from amounts appropriated to carry out this
7 section; or

8 “(3) in the case of a project to be carried out in
9 a county for which an at-risk county designation is
10 in effect under section 14526, 70 percent may be pro-
11 vided from amounts appropriated to carry out this
12 section.

13 “(c) *SOURCES OF ASSISTANCE*.—Assistance under this
14 section may be provided from amounts made available to
15 carry out this section in combination with amounts made
16 available under other Federal programs or from any other
17 source.

18 “(d) *FEDERAL SHARE*.—Notwithstanding any provi-
19 sion of law limiting the Federal share under any other Fed-
20 eral program, amounts made available to carry out this sec-
21 tion may be used to increase that Federal share, as the Com-
22 mission decides is appropriate.”.

23 (b) *CONFORMING AMENDMENT*.—The analysis for
24 chapter 145 of title 40, United States Code, is amended by

1 *inserting after the item relating to section 14507 the fol-*
 2 *lowing:*

“14508. Economic and energy development initiative.”.

3 **SEC. 4. DISTRESSED, AT-RISK, AND ECONOMICALLY**
 4 **STRONG COUNTIES.**

5 (a) *DESIGNATION OF AT-RISK COUNTIES.*—Section
 6 14526 of title 40, United States Code, is amended—

7 (1) *in the section heading by inserting “, at-*
 8 ***risk,***” after “***Distressed***”; and

9 (2) *in subsection (a)(1)—*

10 (A) *by redesignating subparagraph (B) as*
 11 *subparagraph (C);*

12 (B) *in subparagraph (A) by striking “and”*
 13 *at the end; and*

14 (C) *by inserting after subparagraph (A) the*
 15 *following:*

16 “(B) *designate as ‘at-risk counties’ those*
 17 *counties in the Appalachian region that are most*
 18 *at risk of becoming economically distressed;*
 19 *and”.*

20 (b) *CONFORMING AMENDMENT.*—The analysis for
 21 chapter 145 of such title is amended by striking the item
 22 relating to section 14526 and inserting the following:

“14526. Distressed, at-risk, and economically strong counties.”.

1 **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) *IN GENERAL.*—Section 14703(a) of title 40, United
3 States Code, is amended to read as follows:

4 “(a) *IN GENERAL.*—In addition to amounts made
5 available under section 14501, there is authorized to be ap-
6 propriated to the Appalachian Regional Commission to
7 carry out this subtitle (other than section 14508)—

8 “(1) \$65,000,000 for fiscal year 2007;

9 “(2) \$80,000,000 for fiscal year 2008;

10 “(3) \$85,000,000 for fiscal year 2009;

11 “(4) \$90,000,000 for fiscal year 2010; and

12 “(5) \$95,000,000 for fiscal year 2011.”.

13 (b) *AUTHORIZATION OF APPROPRIATIONS.*—Section
14 14703(b) of such title is amended to read as follows:

15 “(b) *ECONOMIC AND ENERGY DEVELOPMENT INITIA-*
16 *TIVE.*—In addition to amounts made available under sec-
17 tion 14501, there is authorized to be appropriated to the
18 Commission to carry out section 14508 \$12,000,000 for each
19 of fiscal years 2008 through 2011.”.

20 (c) *AVAILABILITY.*—Section 14703(c) of such title is
21 amended by striking “subsection (a)” and by inserting
22 “subsections (a) and (b)”.

23 (d) *ALLOCATION OF FUNDS.*—Section 14703 of such
24 title is amended by adding at the end the following:

25 “(d) *ALLOCATION OF FUNDS.*—Funds approved by the
26 Commission for a project in a State in the Appalachian

1 *region pursuant to congressional direction shall be derived*
2 *from such State's portion of the Commission's allocation of*
3 *appropriated amounts among the States."*

4 **SEC. 6. TERMINATION.**

5 *Section 14704 of title 40, United States Code, is*
6 *amended by striking "2006" and inserting "2011".*

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